SECRET Approved For Release 2000/05/05 CIA CONTROL NO. 25X1A PRECONTRACT APPROVAL IDEA-0733-68 RECORD AMENDMENT NO. Copy / of 2 (PART ONE) 5311 1 7 October 1968 THIS CONTRACT APPROVAL RECORD CONTAINS A RECOMMENDATION SUBMITTED FOR CONCURRENCE OF THE UNDERSIGNED. CONCURRENCE IN THIS PRECONTRACT APPROVAL RECORD IS RECOMMENDED BY THE CONTRACTING OFFICER. BY CONCURRENCE, THE CHIEF, BUDGET AND FINANCE BRANCH, SIGNIFIES THAT SUFFICIENT FUNDS ARE AVAILABLE (NOT INCLUDING CONTINGENT & EXPOSURE) AND/OR HAVE BEEN ADJUSTED AS PROVIDED IN THIS DOCUMENT. TYPE OF CONTRACT □ L.1. F.P. REDETERM CP1F X TECH REP DEFINITIZED FPIP 25X1A ☐ T&M FISCAL YEAR ☐ F.P. ☐ CPFF CALL TYPE 25X1A FINANCIAL DATA CONTRACT VALUE PREVIOUS OBLIGATION - PRIOR FY PREVIOUS OBLIGATION - CURRENT FY -0-OBLIGATION BY THIS DOCUMENT DESCRIPTION, PROGRAM OR LINE ITEM FISCAL YEAR PROJECT AMOUNT Airborne Electronics IDEALIST -0-Tech Rep TOTAL THIS OBLIGATION . -0-CONTINGENT UPON AVAILABILITY 25X1A OF FUNDS EXPOSURE LIABILITY RATE DATE RATE DATE CPFF O/H RATES FIXED THRU PRICING FORMULA FIXED THRU TECH REP RATES FIXED THRU 25X1A ATION 10/7/68 PRECONTRACT CONCURRENCES TYPED NAME CONTRACTING OFFICER 25X1A BUDGET & FINANCE GENERAL COUNSEL TECHNICAL REPRESENTATIVE $\mathbf{D}'\mathbf{M}$ TECHNICAL REPRESENTATIVE 25X1A BPD CONTRAC DATE MAILED DATE DISTRIBUTED 28 OCT Took 11-21-68

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PRECONTRACT APPROVAL RECORD (PART TWO)

ONTRACT

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Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

This amendment written to incorporate definitized rates for the period 1 July 1968 thru 30 December 1968.

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Contractor's proposal WH-040 was received and audit report OSA-2924-68 completed. The Contractor proposed a profit factor of and this was reduced to in negotiation which is considered reasonable by the Contract Officer.

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DEFENSE CONTRACT AUDIT AGENCY

CAMERON STATION
ALEXANDRIA, VIRGINIA 22314

OSA-2924-68 B-68-70-569

REPLY TO:

25X1A

P.O. Box #9363 Rosslyn Station Arlington, Virginia 22209

25X1A

25X1A

SUBJECT: Report on Evaluation of T&M Rates

25X1A 25X1A

Contract No. -5311

TO : Contracting Officer -

REF : August 22, 1968 Proposal No. WH-040

September 27, 1968

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- l. Purpose of Evaluation. As requested, an evaluation was performed of the referenced T&M proposal for field engineering services to assist in the installation, ground operation, maintenance and repair of ECM equipment. The detailed costs and pertinent books and records were examined to determine the reasonableness of the proposed field service monthly/daily labor rates. The proposal contemplates a twelvementh work period beginning July 1, 1968. However, the proposed rates are considered fixed for only the six-months period July 1 through December 31, 1968. Prior to the end of this six-month period, the contractor will review the rates; and, if deemed necessary, will submit a new proposal to revise the rates for the six-months period January 1 through June 30, 1969.
 - 2. Results of Evaluation. The results of the evaluation follow:

a. <u>Direct Labor</u>. Exhibit A attached lists a detailed schedule of the auditor's recommended monthly/daily labor rates together with a comparison of the contractor's proposed rates.

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b. Other Direct Charges. The contractor proposes reimbursement of other direct charges such as transportation and travel at actual cost plus G&A. Per diem @ \$20 was proposed for domestic and overseas locations on temporary assignments and at \$10 per day at overseas locations on permanent assignments, plus G&A. The auditor recommends acceptance of this procedure.

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3. Concluding Remarks. Additional audit services will be furnished upon request.

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DCAA Representative - APL

Approved For Release 2000/05/05: CIA-RDP71B00697R001800120003-4 25X1A Contract No. Proposal No. W-H-040 25X1A Exhibit A Explanatory Notes. 25X1A 1. The proposed monthly/daily labor rates submitted by the contractor include the base hourly rate increased by special assignment applicable plus factors of pay of Field Engineering Overhead G&A Profit The rates recommended by the auditor include the same factors as those 25X1A proposed except for profit which is applied at rather than profit rate is consistant with prior T&M contracts for off-site 25X1A support. However, a final determination of the profit rate is referred 25X1A to the Contracting Officer.

SEC. CL. ORIGIN CONTROL NO. 25X1A 08A-2924-68 DATE OF DOC' DATE REC'D DATE OUT SUSPENSE DATE CROSS REFERENCE OR POINT OF FILING 9-27-68 Contracting Officer FROM ICAA Representative - APL ROUTING SUBJ. Rot on Eval of TRM Rates 25X1A 25X1A Contract No. -5311 25X1A Dist: Orig & 1 -COURIER NO. ANSWERED NO REPLY